

AMENDED IN ASSEMBLY APRIL 24, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 2682

Introduced by Assembly Member Bock

February 25, 2000

An act to ~~add Section 20604 to~~ amend Sections 20542, 20543, and 20544 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2682, as amended, Bock. ~~Property tax postponement: school bond indebtedness—Seniors' tax assistance: full value: property tax equivalent.~~

The Gonsalves-Deukmejian-Petris Senior Citizens Property Tax Assistance Law provides for payment of assistance by the Franchise Tax Board to claimants, whether those claimants own or rent their residence, in accordance with schedules that reduce the amount of assistance provided as the amount of a claimant's household income increases. The amount of assistance for a claimant owning his or her residential dwelling is a specified percentage, based on household income, of tax on the first \$34,000 of full value. The amount of assistance for a claimant renting his or her residence is a specified percentage, based on household income, of the statutory property tax equivalent of \$250.

This bill would increase the \$34,000 amount to \$37,400, and would increase the statutory property tax equivalent amount to \$275.

~~The Senior Citizens and Disabled Citizens Property Tax Postponement Law allows taxpayers, who are 62 years of age and older, or blind or disabled, to postpone property taxes on their principal residence if certain conditions are met, including a specified household income limitation.~~

~~This bill would provide that that law shall apply to allow the postponement of property taxes that are imposed upon a taxpayers' principal residence to pay for specified school bond measures that are approved by a majority vote, but less than two-thirds, of the voters, as provided.~~

~~This bill would become operative if a specified proposition is approved by the voters.~~

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 20604 is added to the Revenue~~
2 ~~SECTION 1. Section 20542 of the Revenue and~~
3 ~~Taxation Code is amended to read:~~
4 20542. (a) The Franchise Tax Board, pursuant to the
5 provisions of Article 3 (commencing with Section 20561),
6 of this chapter, shall provide assistance to the claimant
7 based on a percentage of the property tax accrued and
8 paid by the claimant on the residential dwelling as
9 provided in Section 20543 or the statutory property tax
10 equivalent pursuant to Section 20544. In case of an
11 owner-claimant, the assistance shall be equal to the
12 applicable percentage of property taxes paid on the full
13 value of the residential dwelling up to, and including,
14 ~~thirty-four thousand dollars (\$34,000)~~ *thirty-seven*
15 ~~thousand four hundred dollars (\$37,400).~~ *thousand four hundred dollars (\$37,400).* No assistance
16 shall be allowed for property taxes paid on that portion of
17 full value of a residential dwelling exceeding ~~thirty-four~~
18 ~~thousand dollars (\$34,000)~~ *thirty-seven thousand four*
19 ~~hundred dollars (\$37,400).~~ *hundred dollars (\$37,400).* No assistance ~~shall~~ *may* be
20 provided if the amount of the assistance claim is five
21 dollars (\$5) or less.
22 (b) For purposes of allowing assistance provided for by
23 this section:

1 (1) (A) Only one owner-claimant from one
2 household each year shall be entitled to assistance under
3 this chapter. When two or more individuals of a
4 household are able to meet the qualifications for an
5 owner-claimant, they may determine who the
6 owner-claimant shall be. If they are unable to agree, the
7 matter shall be referred to the Franchise Tax Board and
8 its decision shall be final.

9 (B) When two or more individuals pay rent for the
10 same premises and each individual meets the
11 qualifications for a renter-claimant, each qualified
12 individual shall be entitled to assistance under this part.

13 For the purposes of this subparagraph, a husband and
14 wife residing in the same premises shall be presumed to
15 be one renter.

16 (2) Except as provided in paragraph (3), the right to
17 file a claim shall be personal to the claimant and shall not
18 survive his death; however, when a claimant dies after
19 having filed a timely claim, the amount thereof may be
20 disbursed to the surviving spouse and, if no surviving
21 spouse, to any other member of the household who is a
22 qualified claimant. If there is no surviving spouse or
23 otherwise qualified claimant, the claim shall be disbursed
24 to any other member of the household. In the event two
25 or more individuals qualify for payment as either an
26 otherwise qualified claimant or a member of the
27 household, they may determine which of them will be
28 paid. If they are unable to agree, the matter shall be
29 referred to the Franchise Tax Board and its decision shall
30 be final.

31 (3) If, after January 1 of the property tax fiscal year for
32 which a claim may be filed, a claimant dies without filing
33 a timely claim, a claim on behalf of such claimant may be
34 filed by the surviving spouse within the filing period
35 prescribed in subdivision (a) or (b) of Section 20563.

36 (4) If an individual postponed taxes for any given
37 property tax fiscal year under Chapter 2 (commencing
38 with Section 20581), Chapter 3 (commencing with
39 Section 20625), Chapter 3.3 (commencing with Section
40 20639), or Chapter 3.5 (commencing with Section 20640),

1 then any claim for assistance under this chapter for the
 2 same property tax fiscal year shall be filed by such
 3 individual (assuming all other eligibility requirements in
 4 this chapter are satisfied) and not an otherwise qualified
 5 member of the individual's household.

6 *SEC. 2. Section 20543 of the Revenue and Taxation*
 7 *Code is amended to read:*

8 20543. (a) (1) The amount of assistance for a
 9 claimant owning his or her residential dwelling shall be
 10 based on claimant's household income for the period set
 11 forth in Section 20503.

12 (2) The percentage of assistance for which each
 13 claimant owning his or her residential dwelling shall be
 14 eligible shall be based on the following scale:

If the total household income (as defined in this part) is not more than:	The percentage of tax on the first \$34,000 \$37,400 of full value (as deter- mined for tax purposes) used to provide assis- tance is:
22 \$3,300	96%
23 3,520	94
24 3,740	92
25 3,960	90
26 4,180	88
27 4,400	86
28 4,620	84
29 4,840	82
30 5,060	80
31 5,280	78
32 5,500	76
33 5,720	73
34 5,940	69
35 6,160	65
36 6,380	61
37 6,600	57
38 6,820	53
39 7,040	49
40 7,260	45

1	7,480	41
2	7,700	37
3	7,920	34
4	8,140	31
5	8,360	28
6	8,580	25
7	8,800	22
8	9,020	20
9	9,240	18
10	9,460	16
11	9,680	14
12	9,900	12
13	10,450	10
14	11,000	8
15	11,550	7
16	12,100	6
17	12,650	5
18	13,200	4

19
20 (b) With respect to assistance that is provided by the
21 Franchise Tax Board pursuant to this chapter for the 1999
22 calendar year, the household income figures set forth in
23 paragraph (2) of subdivision (a) shall be multiplied by a
24 factor of 2.51.

25 (c) With respect to assistance that is provided by the
26 Franchise Tax Board pursuant to this chapter for the 2000
27 calendar year and each year thereafter, the household
28 income figures that apply to assistance provided by the
29 Franchise Tax Board during that period shall be the
30 household income figures that applied to assistance
31 provided by the Franchise Tax Board in the same period
32 in the immediately preceding year, multiplied by an
33 inflation factor calculated as follows:

34 (1) On or before February 1 of each year, the
35 Department of Industrial Relations shall transmit to the
36 Franchise Tax Board the percentage change in the
37 California Consumer Price Index for all items from June
38 of the second preceding calendar year to June of the
39 immediately preceding calendar year.

(2) The Franchise Tax Board shall add 100 percent to the percentage change figure that is furnished pursuant to paragraph (1) and divide the result by 100.

(3) The Franchise Tax Board shall multiply the immediately preceding household income figure by the inflation adjustment factor determined in paragraph (2), and round off the resulting product to the nearest one dollar (\$1).

SEC. 3. Section 20544 of the Revenue and Taxation Code is amended to read:

20544. (a) (1) The amount of assistance for a claimant renting his or her residence shall be based on the claimant's household income for the time period set forth in Section 20503.

(2) The percentage of assistance for which each claimant renting his or her residence shall be eligible shall be based on the following scale:

If the total household	The statutory	The percentage of the
income (as defined in this	property tax	statutory property tax
part) is not more than:	equivalent is:	equivalent used to
provide assistance is:		
\$3,300	\$250	96%
3,520	250	94
3,740	250	92
3,960	250	90
4,180	250	88
4,400	250	86
4,620	250	84
4,840	250	82
5,060	250	80
5,280	250	78
5,500	250	76
5,720	250	73
5,940	250	69
6,160	250	65
6,380	250	61
6,600	250	57
6,820	250	53
7,040	250	49

1	7,260	250	45
2	7,480	250	41
3	7,700	250	37
4	7,920	250	34
5	8,140	250	31
6	8,360	250	28
7	8,580	250	25
8	8,800	250	22
9	9,020	250	20
10	9,240	250	18
11	9,460	250	16
12	9,680	250	14
13	9,900	250	12
14	10,450	250	10
15	11,000	250	8
16	11,550	250	7
17	12,100	250	6
18	12,600	250	5
19	13,200	250	4

20

21

		<i>The percentage of the</i>	
		<i>statutory property tax</i>	<i>statutory property tax</i>
		<i>equivalent is:</i>	<i>equivalent used to</i>
	<i>If the total household</i>		<i>provide assistance is:</i>
	<i>income (as defined in this</i>		
	<i>part) is not more than:</i>		
25	\$3,300	\$275	96%
26	3,520	275	94
27	3,740	275	92
28	3,960	275	90
29	4,180	275	88
30	4,400	275	86
31	4,620	275	84
32	4,840	275	82
33	5,060	275	80
34	5,280	275	78
35	5,500	275	76
36	5,720	275	73
37	5,940	275	69
38	6,160	275	65
39	6,380	275	61
40	6,600	275	57



1	6,820	275	53
2	7,040	275	49
3	7,260	275	45
4	7,480	275	41
5	7,700	275	37
6	7,920	275	34
7	8,140	275	31
8	8,360	275	28
9	8,580	275	25
10	8,800	275	22
11	9,020	275	20
12	9,240	275	18
13	9,460	275	16
14	9,680	275	14
15	9,900	275	12
16	10,450	275	10
17	11,000	275	8
18	11,550	275	7
19	12,100	275	6
20	12,600	275	5
21	13,200	275	4

22
 23 (b) With respect to assistance that is provided by the
 24 Franchise Tax Board pursuant to this chapter for the 1999
 25 calendar year, the household income figures set forth in
 26 paragraph (2) of subdivision (a) shall be multiplied by a
 27 factor of 2.51.

28 (c) With respect to assistance that is provided by the
 29 Franchise Tax Board pursuant to this chapter for the 2000
 30 calendar year and each year thereafter, the household
 31 income figures that apply to assistance provided by the
 32 Franchise Tax Board during that period shall be the
 33 household income figures that applied to assistance
 34 provided by the Franchise Tax Board in the same period
 35 in the immediately preceding year, multiplied by an
 36 inflation factor calculated as follows:

37 (1) On or before February 1 of each year, the
 38 Department of Industrial Relations shall transmit to the
 39 Franchise Tax Board the percentage change in the
 40 California Consumer Price Index for all items from June

1 of the second preceding calendar year to June of the
2 immediately preceding calendar year.

3 (2) The Franchise Tax Board shall add 100 percent to
4 the percentage change figure that is furnished pursuant
5 to paragraph (1) and divide the result by 100.

6 (3) The Franchise Tax Board shall multiply the
7 immediately preceding household income figure by the
8 inflation adjustment factor determined in paragraph (2),
9 and round off the resulting product to the nearest one
10 dollar (\$1).

11 and Taxation Code, to read:

12 20604. ~~(a) Notwithstanding any other law, the~~
13 ~~postponement of property taxes under this chapter, as~~
14 ~~modified by subdivision (b), shall also be allowed with~~
15 ~~respect to any property taxes that are imposed on a~~
16 ~~residential dwelling to pay any bonded indebtedness~~
17 ~~incurred by a school district, community college district,~~
18 ~~or county office of education for the construction,~~
19 ~~reconstruction, rehabilitation, or replacement of school~~
20 ~~facilities, including the furnishing and equipping of~~
21 ~~school facilities, or the acquisition or lease of real property~~
22 ~~for school facilities, approved by a majority of the voters,~~
23 ~~but by less than two-thirds of the voters, of the district or~~
24 ~~county, as appropriate, voting on the proposition.~~

25 ~~(b) Section 20585 (relating to household income~~
26 ~~limitation) shall not apply.~~

27 SEC. 2. ~~This act shall become operative only if~~
28 ~~Proposition 26 is approved by the voters at the March 7,~~
29 ~~2000, Primary Election.~~